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SUBJECT: DESPITE BAD POLLING, PARTY UNITES BEHIND BRASH, FOR NOW

Summary

1. (SBU) Recent polling in New Zealand, which showed a continued decline in the number of New Zealanders who would prefer National Party leader Don Brash as Prime Minister, could have a profound affect on the party's ability to form the next government. The continual decline in Brash's personal polling has renewed media speculation over his leadership. At National's annual conference, notable for its moderate tone, party faithful reinforced their support of Brash as leader. However, it remains to be seen whether this will last if polls also show a sustained drop in support for National as a party. End Summary

Polls send conflicting messages of party support

2. (SBU) Polling over the past few weeks has been notable for its volatility. A Roy Morgan poll measured the right-leaning National ahead of left-leaning Labour by 8 points, only to be followed by a 3News/TNS poll which reversed this result. The most recent One News/Colmar Brunton poll found National down 2% to 45% but still ahead of Labour at 43% up 5%.

Yet reveals a steady slide in Brash's popularity

3. (SBU) The 3 News/TNS and the One News/Colmar Brunton polls both reveal a slow leak of support for Brash as preferred prime minister (The Roy Morgan poll did not measure this). Averaging out the two polls, only 13% of New Zealanders favor Brash as their preferred prime minister. This figure, considered extremely low for a party leader, and is down 5% from similar polling in May. Brash's dismal rating pales in comparison to that of Prime Minister Helen Clark who averages a 38% approval rating, up 2% from previous polling. National's finance spokesman John Key, regarded by many commentators as the most likely person to replace Brash as leader, features at 7% in the One News/Colmar Brunton poll, but fails to even register in 3 News/TNS poll.

A popular Brash is vital to election prospects

4. (SBU) The typical New Zealand voter is largely politically apathetic without deep-seated party affiliation. Many base their party vote exclusively on the perceived merits, even likeability, of a particular leader. Some analysts believe National did not win the

last election because many New Zealanders could not 'see' Brash as their prime minister, particularly next to the more experienced and political savvy Clark. National's electoral prospects at the next election could be similarly damaged unless Brash claws back some lost ground in personal polling.

Leadership conjecture dominant pre-conference issue

15. (SBU) National's share of party support remains strong and a poll on the eve of the conference showed that National Party supporters remained faithful to Brash as leader. Speculation about his leadership nevertheless threatened to overwhelm the conference, particularly as there were no plans to unveil new policies or other diversions. Just before the conference, a number of analysts and media articles claimed that Brash's low-key style has made the party invisible, and they also noted that his public affairs team has repeatedly erred. (In one recent incident, Brash was photographed teetering across a plank -- not the image of a strong leader.)

16. (SBU) In the end, National decided to tackle the leadership issue head-on at the conference in the hope of neutralizing the rumors. Party faithful were quick to express collective support for Brash's leadership, thus appearing to heed the warning from Party President, Judith Kirk, that disunity would hinder the party's electoral prospects. In his keynote speech, Brash conceded that he has made some mistakes as leader but defended his leadership style and asserted he was the right man to lead National to victory at the next election. Brash then attacked PM Clark's integrity and accused her of turning a "blind eye to allegations of serious corruption" (Clark has fended off allegations of questionable conduct by a number of Labour MPs in recent months, the latest by a Labour backbench MP, Philip Field over his use of cheap Thai migrant labor to work on a house he owns in Samoa)

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But speculation persists

17. (SBU) One National MP told Post that as far as he is aware "there is no appetite or maneuvering currently within caucus to replace Brash as leader". He claimed that the Prime Minister adopts those National Party initiatives that gain traction with the public, neutralizing the Nat's gains in support. This makes it tempting for National to withhold announcement of new ideas, but this in turn makes the party look weak. Party members understand this dynamic and know Brash is not to blame, the MP said. Yet a Wellington-based Australian diplomat says that senior National MP Simon Power, who has hardly featured in recent leadership speculation, is poised to challenge Brash for the leadership. It remains to be seen whether the both overt and covert support for Brash's leadership will continue if his personal ratings continue to head south.

18. (SBU) Conference speeches by senior MPs at the conference spoke to general objectives and were largely centrist in character. This could signal a more moderate approach by National going forward, acknowledging that it cannot win the next election without securing a share of the center ground. However, the question remains whether Brash's right-wing instincts are in step with those of his senior colleagues. This, too, could affect his hold on the leadership in the months ahead.

McCormick